

HOUSE JOINT RESOLUTION 139

By Sparks

A RESOLUTION relative to home affordability and impact fees.

WHEREAS, home affordability is an increasingly pressing issue for many Tennesseans;  
and

WHEREAS, according to statistics from 2020, the median value of existing homes in the State is \$191,000, while a new home price in Tennessee is \$387,961; and

WHEREAS, with the cost of living rising faster than incomes, more and more people are struggling to keep up with the expense of owning or renting a home, especially in areas with higher than average real estate prices; and

WHEREAS, for low- to moderate-income households, climbing real estate prices, in addition to issues such as predatory lending practices, make it difficult to access quality housing options and find secure and affordable homes within their budgets; and

WHEREAS, the increasing rate of impact fees, taxes levied on new developments, is another factor affecting potential homeowners; and

WHEREAS, commonly assessed to pay for the cost of infrastructure needed as a result of population growth, impact fees are rising due to increased demand and costs and could have serious negative consequences, such as increasing housing prices and limiting development in certain areas; and

WHEREAS, there are additional concerns that impact fees could lead to a decrease in available land for development or an increase in regional inequality by favoring wealthier communities that can afford these costs over less wealthy communities that cannot afford the costs; now, therefore,

BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE ONE HUNDRED THIRTEENTH GENERAL ASSEMBLY OF THE STATE OF TENNESSEE, THE SENATE CONCURRING, that we hereby request TACIR to undertake a comprehensive review of all existing impact fee policies, with particular focus on any potential challenges caused by increasing fees, seeking input from local governments in addition to economic experts.

BE IT FURTHER RESOLVED, that the State should work toward developing alternative approaches where necessary to ensure access to infrastructure is equitable across all communities while avoiding excessive rate hikes that could place an undue burden on citizens.

BE IT FURTHER RESOLVED, that an appropriate copy of this resolution be transmitted to the executive director of TACIR.